

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 91 – HB 294

March 19, 2013

SUMMARY OF ORIGINAL BILL: Requires the Alcoholic Beverage Commission (ABC), following the suspension or revocation of any establishment's license to sell alcoholic beverages on the premises, to send a notification through certified mail to the appropriate jurisdiction's local or municipal beer board to inform such board of the action taken by ABC. Requires the appropriate board, upon receiving such notification, to temporarily suspend or revoke the establishment's beer permit and within 14 days of the receipt of such notification, schedule a hearing in conjunction with such beer board's regularly scheduled meetings to allow the license holder an opportunity to appear and show cause as to why such beer permit should not be suspended or revoked. Requires the appropriate local or municipal beer board to notify such establishment of the date and time of such hearing. Upon completion of the hearing, if the local or municipal beer board finds the permit holder to be in violation, such permit shall be suspended or revoked for at least as long as ABC suspends or revokes the holder's license to sell alcoholic beverages on the premises. Requires permit suspension or revocation, if the permit holder fails to appear or decides to surrender the permit.

Requires the appropriate local or municipal beer board to notify the ABC of such revocation or suspension through certified mail, if an establishment's beer permit is suspended or revoked. Requires the executive director to follow the review of such suspension or violation as provided in Tenn. Code Ann. § 57-4-202(b)(1)(a) and (b).

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (004604): Deletes all language after the enacting clause. Authorizes the ABC and local beer boards to communicate regarding license suspension and revocations. Establishes a system of notice between the entities and the establishments subject to penalties.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- This act does not apply to the following counties: Hancock, Union, Grainger, Claiborne, Cocke, Jefferson, Hawkins, Hamilton, and Knox.
- The bill as amended will not cause an increase in revocations of liquor or beer licenses.
- According to the ABC, approximately 7-10 suspensions take place annually.
- Hearings for suspensions are held as part of regularly scheduled local beer board meetings. As a result, any increase in local government expenditures for administrative expenses associated with such hearings is estimated to be not significant.
- Based on information provided by ABC and the County Technical Advisory Services (CTAS), any increased expenditures for providing required notification for 7-10 statewide suspensions each year is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/cce